U. S. DEPARTMENT OF HOMELAND SECURITY

U. S. Coast Guard

FOR IMMEDIATE RELEASE

May 8, 2003

Contact: LCDR Andrea Palermo 202-267-2072

U.S. Coast Guard Headquarters

Office of Public Affairs

Coast Guard announces contract for design and acquisition of the Maritime Patrol Aircraft

WASHINGTON, D.C. – The U.S. Coast Guard has awarded a contract totaling approximately \$130 million to Integrated Coast Guard Systems (ICGS) for the design and delivery of two Maritime Patrol Aircraft (MPA). The aircraft would be the first of a multi-year, multi-aircraft acquisition in the Integrated Deepwater System's modernization program for the Coast Guard.

The EADS CASA CN235-300M was selected as the platform for the MPA for the Integrated Deepwater System (IDS) Program, which is aimed at modernizing and replacing its aging surface and air fleet. The Deepwater program will improve the Coast Guard's overall maritime homeland security capabilities and non-homeland security missions. The Maritime Patrol Aircraft is an integral part of the Coast Guard's plan for achieving maritime domain awareness and pushing our borders further out to sea.

"The Deepwater Program is vital to transforming the Coast Guard and ensuring the delivery of required capabilities needed for the performance of homeland security and other missions," said Admiral Thomas Collins, Commandant of the Coast Guard. "This is a critical step in providing the men and women of the Coast Guard with a modern, versatile, and technologically advanced fleet capable of meeting current and future mission demands for decades to follow."

The Coast Guard's Deepwater Program is the largest recapitalization effort in the 213-year history of the Coast Guard. The Integrated Deepwater System is a vital multi-year program to modernize and replace aging ships and aircraft that will be linked with state-of-the-art Command, Control, Communications and Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) systems supported by an integrated logistics regime. This mix of ships, airplanes, helicopters, and unmanned air vehicles ensures full interoperability while meeting the full range of Coast Guard missions, including homeland security. This multi-year, multi-billion dollar contract was awarded in June 2002 to Integrated Coast Guard Systems, an equal partnership between Lockheed Martin and Northrop Grumman.

Delivery of two stock airframes is scheduled for early 2006 with modification to the aircraft for Coast Guard use to be completed by late 2006. The total number of CASA CN235-300M to be introduced into the Coast Guard air fleet will be determined based on the optimal mix of aircraft to meet the mission demands of the Service. The right mix of the CASA, the medium range aircraft, and the HC-130 patrol aircraft, the long range aircraft, will provide the Coast Guard the ability to meet overall system requirements.

The Coast Guard Deepwater Program's System Integrator, Integrated Coast Guard Systems (ICGS), an equal partnership between Lockheed Martin and Northrop Grumman, issued the contract to Lockheed Martin. EADS Construcciones Aeronauticas S.A. (CASA), a wholly owned subsidiary of EADS N.V. of the Netherlands, is a subcontractor for Lockheed Martin. ICGS is the prime contractor for the Coast Guard's Integrated Deepwater System Program.